

CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT made between EMBARQ FLORIDA, INC., successor by multiple mergers and consolidations to FLORIDA TELEPHONE CORP., as Seller, whose address is 5454 West 110th Street, Overland Park, KS 66211, and THE CITY OF LEESBURG, FLORIDA, Buyer, whose address is P.O. Box 490630, Leesburg, FL 34749-0630, who hereby agree that Seller shall sell and Buyer shall buy the following described real property (the "Property" or the "Real Property") upon the following terms and conditions:

I. DESCRIPTION.

(a) The legal description of the Real Property in the County of Lake, State of Florida, is as follows:

AS DEPICTED ON EXHIBIT "A" ATTACHED. The precise legal description shall be determined by a survey obtained by Buyer at its expense, and certified to Buyer and Seller, along with the title insurance agent and underwriter issuing the title insurance policy on this transaction.

(b) The street address of the Real Property is: Southeast corner of Lee Street and Webster Street, Leesburg, Florida.

(c) The personalty consists of the following items: NONE - property is vacant land.

II. PURCHASE PRICE: The purchase price for the Property is: \$258,000.00

The purchase price is to be paid as follows:

- | | | |
|-----|---|--------------|
| (a) | Deposit to be held in escrow pursuant to Standard K below by McLin & Burnsed P.A. in the amount of: | \$1,000.00 |
| (b) | Balance to close, to be paid by locally drawn cashier's check: | \$257,000.00 |

III. TIME FOR ACCEPTANCE, EFFECTIVE DATE: If this offer is not fully executed by all parties on or before December 3, 2007, the deposit is to be returned to Buyer and the offer is to be considered withdrawn. Execution of this Contract by the City Manager on behalf of the Buyer shall be effective to meet this deadline, however the Effective Date of this Contract shall be the date when the Leesburg City Commission approves this Contract as provided below.

IV. NATURE OF AGREEMENT, REQUIREMENT FOR APPROVAL: This is an "option contract" as defined in §166.045, Fla. Stat. (2006). Neither this Contract, nor any offer, counteroffer, appraisal or other document pertaining to this transaction, shall constitute a public record or be open for public inspection until this Contract has been fully executed by both parties, or until 30 days before it is considered by the Leesburg City Commission, if it is not executed by both parties. This Contract shall not be binding on the Buyer until it has been approved by the Leesburg City Commission by affirmative vote of a majority of the commissioners present at a public meeting where there is a quorum and this Contract was duly placed on the agenda for consideration and action by the Commission, and as to which there has been given not less than 30 days public notice as required by §166.045. Once this Contract has been signed by both Seller and the City Manager, it shall

be placed on the agenda for consideration by the City Commission at the next available regularly scheduled meeting, for which it is possible to meet the public notice requirements imposed by §166.045.

V. TITLE EVIDENCE: Not later than 20 days after the Effective Date, Seller shall at Seller's expense deliver to Buyer or Buyer's attorney a commitment for issuance of an owner's policy of title insurance to Buyer at closing, showing title to be in accordance with the terms of Standard A below. Seller shall pay the premium for the owner's policy of title insurance at closing. Buyer shall bear all expenses relating to mortgagee title insurance required in connection with any new financing on this transaction.

VI. CLOSING DATE: This transaction shall be closed on or before December 28, 2007, unless that date is extended by other terms of this Contract.

VII. RESTRICTIONS, EASEMENTS AND LIMITATIONS: Buyer agrees to accept title subject to zoning, restrictions, prohibitions and other limitations and requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; public utility easements of record; taxes for the year of closing and subsequent years; assumed mortgages and purchase money mortgages (if applicable), and an easement for drainage reserved to Seller. However, none of the foregoing shall prevent the use of the Real Property for the purpose of a regional stormwater retention basin.

VIII. OCCUPANCY: Seller warrants that there are no persons in occupancy of the Real Property other than Seller. Seller agrees to deliver occupancy of the Real Property at the time of closing.

IX. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Any typewritten or handwritten provisions added to this Contract, once initialed by all parties hereto, shall control over all originally printed provisions in conflict therewith.

X. FIRPTA: The parties shall comply fully with the Foreign Investment In Real Property Tax Act ("FIRPTA") and applicable regulations, which could require Seller to provide additional funds at closing to meet withholding requirements. If Seller is not a "foreign person" as defined in FIRPTA then Seller shall provide an affidavit to that effect in compliance with FIRPTA at closing.

XI. ASSIGNABILITY: This Contract may not be assigned by Buyer or any of Buyer's duties hereunder delegated to any other person or entity without the prior, written consent of Seller. As a condition of approving such an assignment or delegation, Seller may require the potential assignee to submit financial and personal information sufficient to demonstrate that the proposed assignee is able to perform the duties of the Buyer hereunder. No such assignment of rights or delegation of duties by Buyer hereunder shall relieve Buyer of liability to Seller under this Contract unless Seller specifically so agrees in writing.

XII. COMMISSION: Each party warrants for the benefit of the other that there will be no claim asserted for a real estate brokerage commission on this transaction as a result of any act or omission of either party. If such a claim is asserted, the party whose act or omission gave rise to the claim shall indemnify the other party and hold it harmless from and against any loss or damage arising out of or resulting from such claim, including but not limited to any court costs or attorneys' fees incurred in defending such claim, whether or not suit is filed.

XIII. STANDARDS GOVERNING THIS TRANSACTION: This transaction shall be governed by the following Standards:

A. EVIDENCE OF TITLE: The title insurance commitment shall be issued by a title insurer licensed in Florida, shall show marketable title to be vested in the Seller, and shall agree to issue to Buyer, upon recording of the deed to Buyer, an owner's policy of title insurance in the amount of the purchase price, subject only to liens, encumbrances, exceptions and qualifications set forth in this Contract and those which shall be discharged by Seller prior to closing. Marketability of title shall be determined in accordance with the Title Standards adopted by the Florida Bar. Buyer shall have 5 days from receipt of the title insurance commitment to examine it. If Buyer finds the title to be defective, Buyer shall within 3 days thereafter notify Seller in writing specifying such defects. If the defects render title unmarketable, Seller shall have 120 days from receipt of notice within which to remove the defects, acting in good faith and with reasonable diligence, failing which Buyer may either accept title as is or demand a refund of Buyer's deposit(s) which shall be immediately returned to Buyer; thereupon, Buyer and Seller shall be released of any further obligation to one another under this Contract.

B. SURVEY: Buyer, at Buyer's expense, within the time allowed for delivery of the title insurance commitment and its examination, may have the Real Property surveyed by a registered Florida land surveyor. If the survey shows any encroachment onto the Real Property or that improvements on the Real Property encroach on setback lines, easements, lands of others, or that any restrictions, covenants of this Contract, or governmental regulations, applicable to the Real Property, are violated, Buyer shall give written notice thereof to Seller within 3 days of receipt by Buyer of the survey, and such defects shall be treated as title defects and shall be subject to the terms set forth in Standard A for the curing of such title defects. The legal description to be used in the deed is subject to change to conform to the description prepared by the surveyor.

C. LEASES: Seller warrants that there are no leases or rental agreements, oral or written, which would grant to any person or entity other than Seller the right to possession or control of the Property or any portion thereof.

D. LIENS: Seller shall furnish to Buyer at closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statements, claims of lien or potential lienors known to Seller, and further attesting that there have been no improvements or repairs to the Property for 90 days immediately preceding closing. If there have been repairs or improvements within that time, Seller shall deliver releases or waivers of mechanics' liens from all general contractors, subcontractors, suppliers and materialmen and further affirming that all charges for improvements or repairs which could be the basis for a lien on the Property or a claim for damages have been paid in full.

E. PLACE OF CLOSING: Closing shall be held in the county where the Real Property is located, at the office of the lawyer or closing agent designated by Seller.

F. TIME: Time is of the essence of this Contract. Time periods of less than 6 days hereunder shall exclude Saturdays, Sundays and state or national legal holidays, and any time period hereunder which would expire on Saturday, Sunday or a legal holiday shall be extended to 5:00 p.m. on the next business day.

G. BUYER ACKNOWLEDGEMENTS, DISCLAIMERS AND WAIVER: Buyer acknowledges that it has or will have, inspected the Property to the extent it deems necessary in connection with this Contract. Accordingly, Buyer acknowledges and agrees that **SELLER, NOR ANYONE ON SELLER'S BEHALF, HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (a) THE VALUE, NATURE, QUALITY, PHYSICAL OR ANY OTHER**

CONDITION OF THE PROPERTY; (b) THE INCOME TO BE DERIVED FROM THE PROPERTY; (c) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY OR PLANS TO CONDUCT THEREON; (d) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES, ORDERS, DECISIONS OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (e) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; (f) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS INCORPORATED INTO THE PROPERTY; (g) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY; OR (h) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY AND, SPECIFICALLY, THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL LAW OR PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OR REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS, DECISIONS OR REQUIREMENTS. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT BUYER IS RELYING SOLELY ON ITS OWN INSPECTION OF THE PROPERTY, AND NOT ON ANY INSPECTION DONE BY OR INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER. FURTHER, BUYER AT CLOSING AGREES TO ACCEPT THE PROPERTY IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AS OF THE CLOSING AND TO WAIVE ALL OBJECTIONS OR CLAIMS AGAINST SELLER ARISING FROM OR RELATED TO THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF THE INFORMATION AND MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION. SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, WARRANTIES OR INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR IN THIS CONTRACT IS MADE ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION AND BASIS. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS CONTRACT, THE ACKNOWLEDGEMENTS, DISCLAIMERS AND WAIVERS CONTAINED IN THIS SECTION WILL SURVIVE THE CLOSING, THE EXPIRATION OR TERMINATION OF THIS CONTRACT AND THE RECORDING OF THE DEED.

H. EXPENSES: Seller shall pay for documentary stamps on the deed, and the recording of corrective instruments. Buyer shall pay for documentary stamps, intangible tax and recording of the purchase money note and mortgage, and the recording of the deed and financing statements.

I. PRORATIONS AND CREDITS: Taxes shall be prorated through the day before closing based on the current year's taxes with due allowance for the maximum allowed discount and homestead or other exemptions applicable to the Property. If millage is not fixed at the time of closing, taxes will be prorated based on the current assessment and the prior year's millage rate; if the current assessment is not available, taxes will be prorated based on the prior year's tax. At closing, the prorated portion of the taxes attributable to the period during which Seller owned the Property shall be collected from Seller and paid over to the Lake County Tax Collector, at which time the Property shall be removed from the tax roll as being owned by a tax exempt entity

following closing. Seller acknowledges that if the proration is based on an estimate and the actual taxes for the year of closing are higher than the estimate, Seller may still receive a tax bill for its portion of the year.

J. SPECIAL ASSESSMENT LIENS: Certified, confirmed and ratified special assessment liens as of the date of closing are to be paid by the Seller. Pending liens as of the date of closing shall be assumed by Buyer. If the improvement for which the pending lien was imposed has been substantially completed at closing, Buyer shall receive a credit at closing equal to the last estimate of the assessment for the improvement by the public body.

K. ESCROW: Any escrow agent ("Agent") receiving funds or equivalent is authorized to and does by their acceptance agree to deposit them promptly, hold them in escrow, and (subject to clearance) disburse them in accordance with the terms hereof. Failure of clearance shall not excuse performance by Buyer. If in doubt as to the disposition of any funds, Agent may hold them until the parties mutually agree to the terms of disbursement, or until a judgment of a court of competent jurisdiction determines the rights of the parties, or Agent may commence an action for interpleader and deposit the funds into the registry of the court, whereupon all liability of the Agent shall terminate, except for accounting for any items previously delivered out of escrow. In any suit between Buyer and Seller where Agent is made a party on account of acting in that capacity, or in any interpleader suit filed by Agent, the Agent shall recover reasonable costs and attorney's fees with such fees and costs to be assessed as court costs in favor of the prevailing party. Agent shall not be liable for misdelivery of any items out of escrow unless such misdelivery is due to willful breach by or gross negligence of Agent.

L. ATTORNEY'S FEES AND COSTS: In any litigation arising out of this Contract, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

M. FAILURE OF PERFORMANCE: If Buyer fails to perform under this Contract, including the payment of all deposit(s) required, the deposit(s) paid by Buyer may be retained by or for the account of Seller as agreed upon liquidated damages, consideration for the execution of this Contract and in full settlement of all claims hereunder, whereupon Buyer and Seller shall be relieved of all obligations under this Contract. If, for any reason other than the failure of Seller to render title marketable or to cure survey defects after reasonable diligence, Seller fails, neglects or refuses to perform under this Contract, Buyer may elect to receive the return of Buyer's deposit(s) as agreed upon liquidated damages, consideration for the execution of this Contract and in full settlement of all claims hereunder, whereupon Buyer and Seller shall be relieved of all obligations under this Contract, or Buyer may seek the remedy of specific performance.

N. CONTRACT NOT RECORDABLE, PERSONS BOUND, AND NOTICE: Neither this Contract nor any notice of it shall be recorded in any public records by Buyer or Seller. This Contract shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context permits or requires, the singular shall include the plural and one gender shall include all. Notice hereunder shall be in writing and if sent to the intended recipient by certified mail, return receipt requested, all postage and fees prepaid, shall be effective 7 calendar days after mailing; otherwise, notice shall be effective only upon receipt by the addressee.

O. CONVEYANCE: Seller shall convey title to the Real Property by special warranty deed subject only to those matters listed in Paragraph VII or otherwise accepted in writing by Buyer prior to closing.

P. OTHER AGREEMENTS: This Contract sets forth the entire understanding of the parties hereto and there are no other agreements or representations, prior or present, which shall be binding on Seller or Buyer unless specifically included in this Contract. Any prior or present representations, negotiations and agreements between the parties which are not specifically set forth herein are deemed to have been merged herein and are

extinguished hereby to the extent not contained herein. This Contract may not be amended in any manner other than by a written instrument signed by all parties hereto, and no other modification (whether oral, by course of conduct or otherwise) shall be binding on any party.

IN WITNESS WHEREOF, the parties have set their hands and seals.

SELLER:

EMBARQ FLORIDA, INC.

DATE: _____, 2007

BY: _____

Its: _____

BUYER:

THE CITY OF LEESBURG, FLORIDA

BY: _____

MAYOR

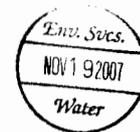
Attest: _____

CITY CLERK

DATE: _____, 2007

Approved as to form and content:

CITY ATTORNEY



DESCRIPTION:

A portion of Lots 31 and 32, Oak Park Homesites as recorded in Plat Book 11, Page 83 of the Public Records of Lake County, Florida.

Together with:

A portion of Lot 18, Modern Homes Development as recorded in Plat Book 11, Page 13 of the Public Records of Lake County, Florida.

Together with:

A portion of a parcel of land described in the Lake County Property Appraiser with Parcel ID of 23-19-24-000400008300 lying in Section 23, Township 19 South, Range 24 East, Lake County, Florida.

Being more particularly described as follows:

Commencing at the South 1/4 corner of Section 23, Township 19 South, Range 24 East, Lake County, Florida thence along the East line of the Southwest 1/4 of said Section 23 North 00°52'34" East, 237.20 feet to a point on the North right of way line of Former Seaboard Air Line Railroad also being the Southeast corner of Lot 32, Oak Park Homesites as recorded in Plat Book 11, Page 83 of the Public Records of Lake County, Florida, said point being the POINT OF BEGINNING; thence along said North right of way North 75°01'53" West, 213.33 feet to a point on the Easterly right of way line of Lee Street; thence along said Easterly line North 00°52'34" East, 392.60 feet to point on a tangent curve concave Easterly, having a radius of 204.18 feet, a central angle of 20°05'26" and a chord bearing and distance of North 10°55'17" East, 71.23 feet; thence Northerly along the arc of said curve 71.60 feet to a point of compound curvature concave Southeasterly, having a radius of 25.00 feet, a central angle of 94°47'54" and a chord bearing and distance of North 68°21'57" East, 36.80 feet; thence Northeasterly along the arc of said curve 41.36 feet to a point on the Southerly right of way line of Webster Street also being a point on a tangent line; thence along said Southerly right of way line the following courses and distances South 64°14'06" East, 91.78 feet to a tangent curve concave Northeasterly, having a radius of 1,170.92 feet, a central angle of 04°06'05" and a chord bearing and distance of South 66°17'09" East, 83.80; thence Easterly along the arc of said curve 83.82 feet to a point on a tangent line; thence South 00°52'34" West, 3.07 feet to a non tangent curve concave Northerly, having a radius of 1,457.39 feet, a central angle of 09°29'10" and a chord bearing and distance of South 76°21'46" East, 241.02 feet; thence Easterly along the arc of said curve 241.29 feet to a point on a line being the projection of a line being an offset of 2.00 feet West of and parallel with a chain link fence; thence along said projected line South 02°53'31" West, 456.58 feet to a point on the aforesaid Northerly right of way of Former Seaboard Air Line Railroad; thence along said Northerly line North 75°01'53" West, 225.80 feet to the POINT OF BEGINNING.

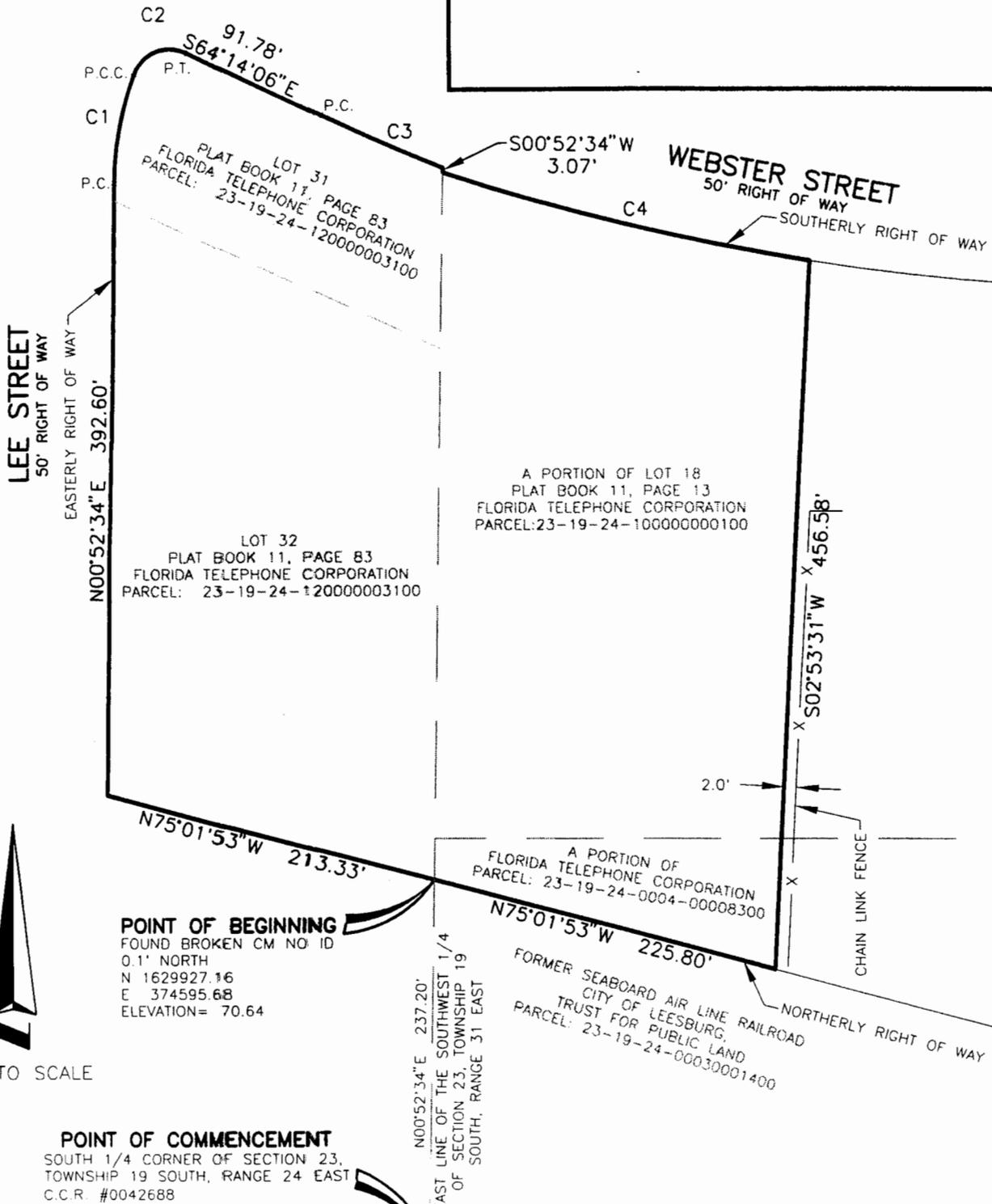
Containing: 200,678. square feet, or 4.607 acres more or less.

SURVEYOR'S REPORT:

1. Bearings shown hereon are based on the East line of the Southwest 1/4 of Section 23, Township 19 South, Range 31 East, Lake County, Florida being North 00°52'34" East.
2. Not valid without the signature and raised seal of a Florida Licensed Surveyor and Mapper.
3. Dimensions are shown in feet and decimals thereof.

<p>DESCRIPTION</p> <p>FOR</p> <p>City of Leesburg</p>	Date:		November 16, 2007 DC		CERT NO LB2108	50995006
	Job No.:	Scale:	50995006	Not to scale		
	<p>CH. 61G17-6, Florida Administrative Code requires that a legal description drawing bear the notation that</p> <p>THIS IS NOT A SURVEY.</p> <p>NOT VALID WITHOUT SHEET 2</p> <p>SHEET 1 OF 2</p> <p>SEE SHEET 2 FOR SKETCH</p>				 <p>SOUTHEASTERN SURVEYING & MAPPING CORP 6500 All American Boulevard Orlando, Florida 32810-4350 (407)292-8580 fax(407)292-0141 email: info@southeasternsurveying.com</p> <p><i>Gary B. Krick</i></p> <p>GARY B. KRICK P.S.M REGISTERED LAND SURVEYOR NO 4245</p>	

SKETCH OF DESCRIPTION



NOT TO SCALE

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD	CHORD BEARING
C1	71.60'	204.18'	20°05'26"	71.23'	N10°55'17"E
C2	41.36'	25.00'	94°47'54"	36.80'	N68°21'57"E
C3	83.82'	1170.92'	4°06'05"	83.80'	S66°17'09"E
C4	241.29'	1457.39'	9°29'10"	241.02'	S76°21'46"E



SOUTHEASTERN SURVEYING & MAPPING CORP
6500 All American Boulevard Orlando,
Florida 32810-4350 (407)292-8580
fax(407)292-0141
email: info@southeasternsurveying.com
CERT NO. LB2108

Drawing No 50995006
Date: 11/16/2007
Sheet 2 OF 2
See Sheet 1 for Description
& Surveyors Report